
A BILL FOR AN ACT

RELATING TO PROFESSIONAL MEDICAID SERVICES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that nearly one third of
2 Hawaii's residents, and half of all keiki, are enrolled in
3 medicaid. Since the start of the coronavirus disease 2019
4 pandemic in March 2020, medicaid enrollment has increased by
5 forty per cent. However, timely access to providers can prove
6 difficult, especially in rural areas where health care providers
7 are in short supply. In 2022, the State had a shortfall of more
8 than seven hundred fifty full-time physicians and almost four
9 thousand nonphysician, patient-facing health care workers, such
10 as nurses, technicians, and patient service representatives.

11 The legislature further finds that due to the significant
12 number of Hawaii residents receiving medicaid coverage, health
13 care providers often receive less reimbursement from medicaid
14 than from medicare or commercial insurances for the same
15 service. While some providers, including critical access
16 hospitals, community health centers, and providers who perform
17 certain services, are reimbursed at cost or at the same rates as



1 medicare, most individual health care professionals, including
 2 physicians, psychiatrists, psychologists, and advanced practice
 3 registered nurses, are not. Lesser reimbursements contribute to
 4 the challenges providers face in sustaining their practices,
 5 leading some health care providers to limit or refuse to accept
 6 medicaid patients. Investing in medicaid by matching medicaid
 7 reimbursement levels with those of medicare would allow more
 8 health care providers to accept medicaid patients, improving
 9 access to care.

10 Therefore, the purpose of this Act is to appropriate funds
 11 to increase medicaid reimbursements to eligible health care
 12 professionals to match the current medicare fee schedule.

13 SECTION 2. There is appropriated out of the general
 14 revenues of the State of Hawaii the sum of \$ or so much
 15 thereof as may be necessary for fiscal year 2023-2024 and the
 16 same sum or so much thereof as may be necessary for fiscal year
 17 2024-2025 to increase medicaid reimbursements to eligible health
 18 care professionals in the State by up to one hundred per cent of
 19 the current medicare rates.

20 The sums appropriated shall be expended by the department
 21 of human services for the purposes of this Act.



1 SECTION 3. The appropriations made by this Act shall not
2 lapse at the end of the fiscal year for which the appropriation
3 is made; provided that all moneys from the appropriation
4 unencumbered as of June 30, 2025, shall lapse as of that date.

5 SECTION 4. This Act shall take effect on December 31,
6 2050.



Report Title:

Medicaid; Reimbursements; Medicare; Appropriation

Description:

Appropriates funds to increase Medicaid reimbursements to eligible health care professionals in the State by up to one hundred per cent of the current Medicare rates. Effective 12/31/2050. (SD2)

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